SUPREME COURT, U. S.

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AUG 17 1970

IN THE

Supreme Court of the United States

OCTOBER TERM, 1970.

No. 320

MAURICE H. SCHY,

Petitioner,

vs.

THE SUSQUEHANNA CORPORATION, A DELAWARE CORPORATION, SAMUEL M. FERGUSON, M. M. HARDIN, H. F. KORHOLZ, J. EARLE MAY, HUGH C. MICHELS, AKSEL NIELSEN, D. W. REEVES, R. C. SCHENK AND N. F. TISDALE, JR.,

Respondents.

BRIEF IN REPLY TO RESPONDENTS' BRIEF IN OPPOSITION.

MAURICE H. SCHY,
9225 Collins Avenue,
Surfside, Florida 33154,
Petitioner pro se.

THE GUNTHORP-WARREN PRINTING COMPANY, CHICAGO

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THE PETITION PRESENTS THE SIGNIFICANT QUESTION OF WHETHER THE SYSTEM AFFORDS EVEN-HANDED JUSTICE TO THE SMALL STOCKHOLDER WHO ATTACKS THE ESTABLISHMENT IN COURT.

Respondents' gratuitous reference to *Dasho v. Susquehanna* (Resp. br., footnote, p. 2) clearly infers that petitioner has harassed respondents with spurious suits. *Dasho* is on appeal to the Seventh Circuit. Therefore petitioner will limit his reference to a single order and finding in that case which will suffice to rebut respondents' unwarranted inference:

Through discovery in *Dasho*, plaintiffs came into possession of documents that outlined the specific terms of an agreement between the defendants, a bank and two insurance companies to document a loan-arrangement in such manner as to permit defendants to issue a false and misleading proxy statement, precisely as alleged in the complaint, by "adjusting" the balance sheet in a manner that would avoid questions that the S. E. C. would otherwise ask. On defendants' motion, the court enjoined plaintiffs and their counsel from communicating in any way the "existence or contents" of those documents and they were excluded as evidence in the case.

Further, the record in *Dasho* establishes that one of the defendants, who is also a defendant in *Schy*, was convicted and imprisoned for unlawfully giving money to a union representative; that a corporation of which he was president was twice convicted and fined for criminal violations of federal statutes; that a federal court found that he had "* * * willfully and deliberately engaged in infringement practices with the intent to deceive and defraud"; and that the S. E. C. in December, 1968, filed a complaint alleging that he had made false and misleading statements in connection with a public tender-offer. In dismissing *Dasho*, the court found that "All of the individual defendants are reputable businessmen, the integrity and veracity of whom was not *questioned* on this record." (Emphasis added.)

Confidence in the courts has been a matter of concern to the Chief Justice, who said recently,* "A sense of confidence in the courts is essential to maintain the fabric of ordered liberty for a free people. Three things could destroy that confidence and do incalculable damage to society . . . One is that people who have long been exploited come to believe that courts cannot vindicate their

* Address to the American Bar Association, August 10, 1970.

legal rights from fraud and over-reaching in the smaller transactions of daily life."

Confidence is not fostered in courts where the truth is buried and where the integrity and veracity of the tycoon and the tyro are measured by radically different standards. Although the immediate reference of the Chief Justice's remarks is to the blacks and the poor, it is no less true in broader application. The small stockholder has long been exploited and, confronted with the chilling necessity of pitting his puny purse against the vast corporate treasure of the Establishment, he can only conclude that he cannot vindicate his legal rights within the framework of our judicial system.

This action, aborted in its early stages, has been an experience in frustration for petitioner, who, like Franz K. before him, now knows the struggle to find the Court.

Respectfully submitted,

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